UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

U.S. Commodity Futures Trading Commission, Plaintiff, v. Matthew Marshall Taylor Defendant.	Case No.________ **ECF Case** COMPLAINT FOR INJUNCTIVE AND OTHER EQUITABLE RELIEF AND FOR CIVIL MONETARY PENALTIES PURSUANT TO THE COMMODITY EXCHANGE ACT **JURY TRIAL DEMANDED**

Plaintiff, U.S. Commodity Futures Trading Commission ("CFTC" or "the Commission"), by and through its attorneys, hereby alleges as follows:

I.

SUMMARY OF DEFENDANT'S VIOLATIONS OF THE COMMODITY EXCHANGE ACT

1. As more fully alleged below, on four days in November and three days in December 2007, Matthew Marshall Taylor ("Taylor" or "Defendant"), then employed as a Vice President and trader at a large Futures Commission Merchant ("FCM"), violated the anti-fraud provisions of Sections 4b(a)(2)(i) - (iii) of the Commodity Exchange Act ("Act"), 7 U.S.C. §§ 6b(a)(2)(i) - (iii) (2006).[1]

2. Taylor intentionally concealed from his employer the size of the S&P 500 e-mini futures contracts ("e-mini futures") position, risk and profits and losses ("P&L") in a FCM firm account he traded. Taylor concealed his position by (i) bypassing the FCM's internal system

[1] These sections were subsequently amended and correspond to Sections 4b(a)(1)(A)-(C), as amended by the CFTC Reauthorization Act of 2008 ("CRA"), codified at 7 U.S.C. §§ 6b(a)(2)(A) - (C).

designed for the entering and routing of electronic trades to the Chicago Mercantile Exchange ("CME"), and (ii) manually entering fabricated e-mini futures trades ("fabricated trades") in a different internal system that did not route any e-mini futures orders to the CME but instead routed the information to the FCM's internal systems and its books and records.

3. Additionally, Taylor obstructed his employer's discovery of his fabricated trades and his position, risk and profits and losses by (i) coordinating the timing of his entry of changes to the size and/or price of his fabricated trade position ("adjustments") with the running of various reports at the FCM, and/or (ii) providing false, misleading or deceptive information and/or reports to the FCM's employees, as set forth in detail below.

4. On or about December 13, 2007, Taylor's scheme culminated in his concealment of a notional value[2] of an approximately $8.3 billion long e-mini futures position, as well as the corresponding risk and P&L associated with that position.

5. Taylor's e-mini futures trades and his concealment resulted in realized losses to his employer of approximately $118,440,000, after the offset and liquidation of the position.

6. By entering fabricated trades and concealing the position, risk and P&L, Defendant engaged in fraudulent acts and practices that violated the anti-fraud provisions of Sections 4b(a)(2)(i) - (iii) of the Act, 7 U.S.C. §§ 6b(a)(2)(i) - (iii) (2006).

7. Accordingly, pursuant to Section 6c(a) of the Act, 7 U.S.C. § 13a-1, the Commission brings this action to enjoin the unlawful acts and practices of Defendant and to compel his compliance with the provisions of the Act. In addition, the Commission seeks a civil monetary penalty and such other equitable and ancillary relief as the Court deems necessary or appropriate under the circumstances.

[2] All values of the e-mini futures are notional values unless otherwise indicated.

8. Unless restrained and enjoined by this Court, there is a reasonable likelihood that Defendant will continue to engage in the acts and practices alleged in this Complaint or similar acts and practices, as is more fully described below.

II.

JURISDICTION AND VENUE

9. This Court has jurisdiction over this action pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1, which authorizes the Commission to seek injunctive relief against any person whenever it shall appear that such person has engaged, is engaging, or is about to engage in any act or practice constituting a violation of any provision of the Act or any rule, regulation or order promulgated thereunder.

10. Venue properly lies with this Court pursuant to Section 6c(e) of the Act, 7 U.S.C. § 13a-1(e), in that Defendant was found in, inhabited, or transacted business in this district, and the acts and practices in violation of the Act have occurred, are occurring, or are about to occur within this district.

III.

THE PARTIES

A. Plaintiff

11. The U.S. Commodity Futures Trading Commission is an independent federal regulatory agency that is charged with responsibility for administering and enforcing the provisions of the Act, 7 U.S.C. §§ 1 *et seq.*, and the Regulations promulgated thereunder, 17 C.F.R. §§ 1 *et seq.* (2012).

B. Defendant

12. On November 9, 12, 19 and 20 and December 11, 13 and 14, 2007 (the "Relevant Period") during which time Taylor fabricated trades, Taylor was employed at a registered FCM which was and is located in New York, New York. During the Relevant Period, Taylor was registered with the Commission as an associated person of the FCM. Taylor currently resides in Florida.

IV.

FACTS ESTABLISHING DEFENDANT'S VIOLATIONS OF THE COMMODITY EXCHANGE ACT

A. Background

13. During the Relevant Period, Taylor was employed as a Vice President and a trader on the FCM's Capital Structure Franchise Trading ("CSFT") desk.

14. The CME is a designated contract market that offers the e-mini futures contract at issue.

15. E-mini futures contracts are electronically traded on Globex, which is an electronic trading platform, owned and operated by the CME.

16. During the Relevant Period, all of Taylor's e-mini futures trades for his employer's account were exclusively executed electronically by using a system that routed futures orders to the CME through Globex.

17. Taylor entered fabricated e-mini futures trades in a manual trade entry system that his employer used. This manual system was not a trade entry system intended for e-mini futures contracts but rather a trade entry system for trades that could not be executed through an electronic platform, like over-the-counter options and trades in exchange-listed options and futures that were handled by a floor broker.

18. Taylor's fabricated trades had the effect of concealing and misrepresenting the size of his e-mini futures position within his employers' internal systems. Specifically, the fabricated trades gave the appearance of substantially reducing both the size and the corresponding risk and P&L associated with the actual e-mini futures position on the FCM's books and records and various risk estimates and risk reports, which the FCM relied on to determine and manage risk.

19. None of the fabricated trades were executed on the CME through Globex or cleared through the CME's clearing house.

B. Taylor's Scheme

20. During the Relevant Period, to hide the actual size of the e-mini futures position, Taylor intentionally, manually entered approximately sixty fabricated trades to conceal his actual e-mini futures trades. Exhibit 1, attached hereto, provides details on those sixty fabricated trades and their effect on the actual e-mini trades within his employer's internal systems.

21. Taylor's initial fabricated trade entries and his subsequent adjustments to those fabricated trades had the effect of concealing the actual size of the account's e-mini futures position, risk, and P&L on his employer's books.

22. Taylor's intra-day periodic adjustments to the fabricated trades circumvented the FCM's trade reconciliation process.

23. Taylor's intent to enter and conceal the e-mini futures position is evidenced by:

a. his fabricated trades, and/or periodic adjustments to the approximately sixty fabricated trades as his actual risk position changed during the trading day during the Relevant Period;

b. the timing of the above referenced booking and periodic adjustments of the fabricated trades during the Relevant Period, as detailed below; and

c. Taylor's creation of false reports and misrepresentations when confronted by his supervisor and other employees of his employer about the size of his position, risk, and P&L on December 14, 2007.

C. November and December Fabricated Trades

24. On November 9, 12, 19, and 20, 2007, Taylor entered a total of approximately thirty-eight fabricated trades and concealed them from his employer.

25. On December 11, 2007, Taylor entered at least one fabricated trade and concealed it from his employer.

26. On December 13, 2007, Taylor entered sixteen fabricated trades and concealed them from his employer.

27. As Taylor increased the size of the e-mini futures position over the course of the day on December 13, 2007 and as the market moved, Taylor periodically adjusted the size and price of his manual fabricated sale trades to ensure that the size of the position, risk, and P&L associated with his trading activity remained concealed.

28. For example, from 7:30 AM through 12:00 PM on December 13, 2007, Taylor amassed through Globex an actual 34,604-lot long e-mini futures position.

29. At 12:05 PM on December 13, 2007, Taylor manually entered a fabricated sale of 33,000 contracts into the manual system.

30. The effect of this fabricated sale was to conceal the actual e-mini futures position by giving the appearance of substantially reducing the long e-mini position from 37,104 to 4,104 contracts.

31. Over the course of the day on December 13, 2007, Taylor increased the notional value of the e-mini futures contracts he traded on behalf of his employer from approximately $2.4 billion to over $8.3 billion.

32. On December 14, 2007, Taylor again entered fabricated e-mini futures sell trades that gave the appearance of substantially offsetting the risk inherent in his more than $8.3 billion e-mini futures long position.

33. Taylor's fabricated trades, as evidenced by Exhibit 1, had the effect of providing false information and reports of the e-mini futures position, risk, and P&L to his employer and masking the true e-mini futures position, risk and P&L.

D. As the Scheme Unraveled, Taylor Provided False Statements, Information and Reports to His Employer

34. Taylor prepared an end-of-day P&L report for the CSFT volatility portfolio for trading day December 13, 2007, which reflected a false P&L loss of $2 million. Defendant intentionally included a fabricated sale of 120,000 e-mini futures contracts in the account Taylor traded and reflected a false P&L profit of $859,000 for Taylor's account ("false report"). Taylor forwarded the false report to the Equities Product Control (the "Controllers") at approximately 9:35 PM (GMT) or approximately 4:35PM (EST) on December 13, 2007.

35. The actual P&L for that trading day for Taylor's account was a profit of approximately $52 million.

36. Taylor sent the false report to another Controller during the afternoon of December 14, 2007.

37. When Taylor was questioned by an Operations employee of the FCM in the morning on December 14, 2007 about the fabricated 120,000 e-mini futures contracts, Taylor falsely represented that he had misbooked a trade or put too many zeroes in the quantity field and would correct the error shortly.

38. When Taylor was confronted over the phone by a member of the Market Risk Management & Analysis group ("MRMA") mid-morning on December 14, 2007 about a large approximately $8 billion equity delta (the measure in dollar terms of the net equity exposure that a portfolio creates), Taylor lied to MRMA by responding that the approximately $8 billion equity delta was wrong.

39. Taylor also falsely told MRMA that the equity delta was $65 million, which was false because the actual equity delta was over $8 billion.

40. During the afternoon of December 14, 2007, at approximately 2:45 PM, when the Controllers observed a substantial P&L discrepancy as a result of Taylor's reported P&L estimate, Taylor advised the Controllers that there were problems with the booking of trades in one of his accounts, which was false.

41. If Taylor had accurately reported the e-mini futures position he took on behalf of his employer, he would have reported the position as long 114,834 e-mini futures contracts on December 13, 2007 and long 100,800 e-mini futures contracts on December 14, 2007.

42. On December 14, 2007, Taylor falsely reported a loss of $52.212 million to his employer when the actual loss was $108.224 million.

43. On December 14, 2007, at approximately 2:38 PM, Taylor falsely represented to one of his direct supervisors that a risk report reflecting his e-mini futures long position with a delta risk[3] of over $8.3 billion was wrong and that a "trade booking issue [had occurred, which] blew up [his] risk/p&l."

44. In fact, the risk report was correct and accurately reflected a delta risk of over $8.3 billion; there was no trade booking issue.

E. Taylor's Fraud Caused Losses of Over $118 Million

45. Taylor's e-mini futures trades and his concealment of e-mini futures position, risk and P&L by the entering of fabricated trades and by providing false statements, information and reports to his employer resulted in realized losses of approximately $118,440,000 after his employer's offsetting and liquidating of the position.

V.

VIOLATIONS OF THE COMMODITY EXCHANGE ACT

COUNT I

Fraud in the Sale of Futures Contracts

46. Paragraphs 1 through 45 are re-alleged and incorporated herein.

47. In violation of Sections 4b(a)(2)(i) - (iii) of the Act, 7 U.S.C. §§ 6b(a)(2)(i) - (iii) (2006), Taylor cheated or defrauded or attempted to cheat or defraud his employer or willfully made or caused to be made to his employer any false report or statement or willfully entered or caused to be entered for his employer any false record or willfully deceived or

[3] Delta measures the sensitivity of a derivative to changes in the value of the underlying instrument (i.e. the product referenced by the relevant derivative); a position's delta risk increases or decreases depending on how much of the underlying instrument has been bought or sold. Here, it showed a very large long e-mini futures position.

attempted to deceive by any means whatsoever his employer in or in connection with orders to make, or the making of, contracts of sale of commodities for future delivery, made, or to be made, for or on behalf of his employer where such contracts for future delivery were or may have been used for (a) hedging any transaction in interstate commerce in such commodity, or the produce or byproducts thereof, or (b) determining the price basis of any transaction in interstate commerce in such commodity, or (c) delivering any such commodity sold, shipped or received in interstate commerce for the fulfillment thereof

48. During the Relevant Period, Taylor cheated, defrauded, and deceived his employer, all in violation of Sections 4b(a)(2)(i) - (iii) of the Act, 7 U.S.C. § 6b(a)(2)(i) - (iii) (2006).

49. Each misrepresentation or omission of a material fact, deception, false report, false statement, or false record made during the Relevant Period, including but not limited to those specifically alleged herein, is alleged as a separate and distinct violation of Sections 4b(a)(2)(i) - (iii) of the Act, 7 U.S.C. § 6b(a)(2)(i)-(iii) (2006).

RELIEF REQUESTED

WHEREFORE, the CFTC respectfully requests that the Court, as authorized by Section 6c of the Act, 7 U.S.C. § 13a-1 (2006), and pursuant to its own equitable powers, enter:

1. An order finding that Defendant violated Sections 4b(a)(2)(i), (ii) and (iii) of the Act; 7 U.S.C. § 6b(a)(2)(i) - (iii) (2006).

2. An order of preliminary and permanent injunction prohibiting Defendant and any of his agents, servants, employees, assigns, attorneys, and persons in active concert or participation with him, including any successor thereof, from engaging, directly or indirectly in any conduct that violates Sections 4b(a)(2)(i) - (iii) of the Act, 7 U.S.C. §§ 6b(a)(2)(i) - (iii)

(2006), which are currently designated as Sections 4b(a)(1)(A) - (C), as amended by the CRA, to be codified at 7 U.S.C. §§ 6b(a)(2)(A) - (C); and

3. An order of preliminary and permanent injunction prohibiting Defendant and any of his agents, servants, employees, assigns, attorneys, and persons in active concert or participation with him, including any successor thereof, from engaging, directly or indirectly, in:

a. trading on or subject to the rules of any registered entity (as that term is defined in Section 1a of the Act, as amended, to be codified at 7 U.S.C. § 1a);

b. entering into any transactions involving commodity futures, options on commodity futures, commodity options (as that term is defined in Regulation 1.3 (hh), 17 C.F.R. §1.3(hh) (2012) ("commodity options"), swaps (as that term is defined in Section 1a(47) of the Act, as amended, and as further defined by Regulation 1.3(xxx), 17 C.F.R. 1.3(xxx)), security futures products, and/or forex contracts for his own personal account or any account in which he has a direct or indirect interest;

c. having any commodity futures, options on commodity futures, commodity options, swaps, security futures products, and/or forex contracts traded on his behalf;

d. controlling or directing the trading for or on behalf of any other person or entity, whether by power of attorney or otherwise, in any account involving commodity futures, options on commodity futures, commodity options, swaps, security futures products, and/or forex contracts;

e. soliciting, receiving, or accepting any funds from any person for the purpose of purchasing or selling any commodity futures, options on commodity futures, commodity options, swaps, security futures products, and/or forex contracts;

f. applying for registration or claiming exemption from registration with the Commission in any capacity, and engaging in any activity requiring such registration or exemption from registration with the Commission except as provided for in Commission Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2012); and

g. acting as a principal (as that term is defined in Commission Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2012), agent, or any other officer or employee of any person registered, exempted from registration or required to be registered with the Commission, except as provided for in Commission Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2012).

4. An order directing Defendant to pay a civil monetary penalty in the amount of the higher of $130,000 or triple the monetary gain to Defendant for each violation of the Act described herein, plus post-judgment interest;

5. An order requiring Defendant to pay costs and fees as permitted by 28 U.S.C. §§ 1920 and 2412(a)(2); and

6. Such other and further relief as the Court deems proper.

Dated: November 8, 2012
New York, New York

Respectfully submitted,

ATTORNEYS FOR PLAINTIFF
COMMODITY FUTURES TRADING
COMMISSION

Stephen J. Obie
Regional Counsel / Associate Director

By: ______________________
Janine Gargiulo, Trial Attorney
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EXHIBIT #1

Taylor E-mini December '07 Fabricated Trade activity

tradeDate	Buy/Sell	quantity	price	activity	timeOfEntry
11/9/2007	SELL	1000	1465	Original Fabricated Trade	Nov 9 2007 9:44AM
11/9/2007	SELL	1000	1465	Cancel Fabricated Trade	Nov 9 2007 9:57AM
11/9/2007	SELL	500	1465	New Fabricated Trade	Nov 9 2007 9:57AM
11/9/2007	SELL	500	1465	Cancel Fabricated Trade	Nov 9 2007 10:03AM

tradeDate	Buy/Sell	quantity	price	activity	timeOfEntry
11/9/2007	SELL	1500	1460	Original Fabricated Trade	Nov 9 2007 11:14AM
11/9/2007	SELL	1500	1460	Cancel Fabricated Trade	Nov 9 2007 11:26AM

tradeDate	Buy/Sell	quantity	price	activity	timeOfEntry
11/9/2007	SELL	13962	1462	Original Fabricated Trade	Nov 9 2007 4:01PM
11/9/2007	SELL	13962	1462	Cancel Fabricated Trade	Nov 9 2007 4:04PM
11/9/2007	SELL	15192	1462	New Fabricated Trade	Nov 9 2007 4:04PM
11/9/2007	SELL	15192	1462	Cancel Fabricated Trade	Nov 9 2007 4:06PM
11/9/2007	SELL	16692	1462	New Fabricated Trade	Nov 9 2007 4:06PM
11/9/2007	SELL	16692	1462	Cancel Fabricated Trade	Nov 9 2007 4:17PM
11/9/2007	SELL	19962	1462	New Fabricated Trade	Nov 9 2007 4:17PM
11/9/2007	SELL	19962	1462	Cancel Fabricated Trade	Nov 9 2007 4:17PM
11/9/2007	SELL	20712	1462	New Fabricated Trade	Nov 9 2007 4:17PM
11/9/2007	SELL	20712	1462	Cancel Fabricated Trade	Nov 12 2007 7:46AM

Taylor E-mini December '07 Fabricated Trade activity

tradeDate	Buy/Sell	quantity	price	activity	timeOfEntry
11/12/2007	SELL	20712	1462	Original Fabricated Trade	Nov 12 2007 7:54AM
11/12/2007	SELL	20712	1462	Cancel Fabricated Trade	Nov 12 2007 9:50AM

tradeDate	Buy/Sell	quantity	price	activity	timeOfEntry
11/12/2007	SELL	15000	1462	Original Fabricated Trade	Nov 12 2007 10:07AM
11/12/2007	SELL	15000	1462	Cancel Fabricated Trade	Nov 12 2007 10:24AM

Taylor E-mini December '07 Fabricated Trade activity

tradeDate	Buy/Sell	quantity	price	activity	timeOfEntry
11/19/2007	SELL	13000	1447	Original Fabricated Trade	Nov 19 2007 10:57AM
11/19/2007	SELL	13000	1447	Cancel Fabricated Trade	Nov 19 2007 11:37AM
11/19/2007	SELL	18000	1445	New Fabricated Trade	Nov 19 2007 11:37AM
11/19/2007	SELL	18000	1445	Cancel Fabricated Trade	Nov 19 2007 12:20PM
11/19/2007	SELL	10000	1445	New Fabricated Trade	Nov 19 2007 12:20PM
11/19/2007	SELL	10000	1445	Cancel Fabricated Trade	Nov 19 2007 12:34PM
11/19/2007	SELL	17000	1445	New Fabricated Trade	Nov 19 2007 12:34PM
11/19/2007	SELL	17000	1445	Cancel Fabricated Trade	Nov 19 2007 12:53PM
11/19/2007	SELL	20000	1444	New Fabricated Trade	Nov 19 2007 12:53PM
11/19/2007	SELL	20000	1444	Cancel Fabricated Trade	Nov 19 2007 12:57PM
11/19/2007	SELL	20000	1445	New Fabricated Trade	Nov 19 2007 12:57PM
11/19/2007	SELL	20000	1445	Cancel Fabricated Trade	Nov 19 2007 1:19PM
11/19/2007	SELL	24000	1444.5	New Fabricated Trade	Nov 19 2007 1:19PM
11/19/2007	SELL	24000	1444.5	Cancel Fabricated Trade	Nov 19 2007 1:43PM
11/19/2007	SELL	30000	1442.5	New Fabricated Trade	Nov 19 2007 1:43PM
11/19/2007	SELL	30000	1442.5	Cancel Fabricated Trade	Nov 19 2007 1:54PM
11/19/2007	SELL	36000	1442.5	New Fabricated Trade	Nov 19 2007 1:54PM
11/19/2007	SELL	36000	1442.5	Cancel Fabricated Trade	Nov 19 2007 2:02PM
11/19/2007	SELL	40000	1442	New Fabricated Trade	Nov 19 2007 2:02PM
11/19/2007	SELL	40000	1442	Cancel Fabricated Trade	Nov 19 2007 2:14PM
11/19/2007	SELL	37000	1443	New Fabricated Trade	Nov 19 2007 2:14PM
11/19/2007	SELL	37000	1443	Cancel Fabricated Trade	Nov 19 2007 2:21PM
11/19/2007	SELL	30000	1443	New Fabricated Trade	Nov 19 2007 2:21PM
11/19/2007	SELL	30000	1443	Cancel Fabricated Trade	Nov 19 2007 2:52PM
11/19/2007	SELL	20000	1443	New Fabricated Trade	Nov 19 2007 2:52PM
11/19/2007	SELL	20000	1443	Cancel Fabricated Trade	Nov 19 2007 2:59PM
11/19/2007	SELL	15000	1441	New Fabricated Trade	Nov 19 2007 2:59PM
11/19/2007	SELL	15000	1441	Cancel Fabricated Trade	Nov 19 2007 3:03PM
11/19/2007	SELL	15000	1439	New Fabricated Trade	Nov 19 2007 3:03PM
11/19/2007	SELL	15000	1439	Cancel Fabricated Trade	Nov 19 2007 3:43PM
11/19/2007	SELL	30000	1439	New Fabricated Trade	Nov 19 2007 3:43PM
11/19/2007	SELL	30000	1439	Cancel Fabricated Trade	Nov 19 2007 4:03PM
11/19/2007	SELL	37819	1439	New Fabricated Trade	Nov 19 2007 4:03PM
11/19/2007	SELL	37819	1439	Cancel Fabricated Trade	Nov 19 2007 4:05PM
11/19/2007	SELL	37819	1438.6	New Fabricated Trade	Nov 19 2007 4:05PM
11/19/2007	SELL	37819	1438.6	Cancel Fabricated Trade	Nov 19 2007 4:15PM
11/19/2007	SELL	36300	1438.6	New Fabricated Trade	Nov 19 2007 4:15PM
11/19/2007	SELL	36300	1438.6	Cancel Fabricated Trade	Nov 19 2007 4:17PM
11/19/2007	SELL	36300	1438.1	New Fabricated Trade	Nov 19 2007 4:17PM
11/19/2007	SELL	36300	1438.1	Cancel Fabricated Trade	Nov 19 2007 5:01PM
11/19/2007	SELL	35000	1438.1	New Fabricated Trade	Nov 19 2007 5:01PM
11/19/2007	SELL	35000	1438.1	Cancel Fabricated Trade	Nov 20 2007 6:57AM

Taylor E-mini December '07 Fabricated Trade activity

tradeDate	Buy/Sell	quantity	price	activity	timeOfEntry
11/20/2007	SELL	15000	1439	Original Fabricated Trade	Nov 20 2007 7:00AM
11/20/2007	SELL	15000	1439	Cancel Fabricated Trade	Nov 20 2007 7:14AM
11/20/2007	SELL	35000	1438.2	New Fabricated Trade	Nov 20 2007 7:14AM
11/20/2007	SELL	35000	1438.2	Cancel Fabricated Trade	Nov 20 2007 7:35AM
11/20/2007	SELL	33000	1438.2	New Fabricated Trade	Nov 20 2007 7:35AM
11/20/2007	SELL	33000	1438.2	Cancel Fabricated Trade	Nov 20 2007 7:37AM
11/20/2007	SELL	31000	1438.2	New Fabricated Trade	Nov 20 2007 7:37AM
11/20/2007	SELL	31000	1438.2	Cancel Fabricated Trade	Nov 20 2007 7:41AM
11/20/2007	SELL	29000	1438.2	New Fabricated Trade	Nov 20 2007 7:41AM
11/20/2007	SELL	29000	1438.2	Cancel Fabricated Trade	Nov 20 2007 7:54AM
11/20/2007	SELL	26000	1438.2	New Fabricated Trade	Nov 20 2007 7:54AM
11/20/2007	SELL	26000	1438.2	Cancel Fabricated Trade	Nov 20 2007 7:59AM
11/20/2007	SELL	25000	1438.2	New Fabricated Trade	Nov 20 2007 7:59AM
11/20/2007	SELL	25000	1438.2	Cancel Fabricated Trade	Nov 20 2007 8:19AM

Taylor E-mini December '07 futures Fabricated Trade activity

tradeDate	Buy/Sell	quantity	price	activity	timeOfEntry
12/11/2007	Sell	4000	1482	Original Fabricated Trade	Dec 11 2007 4:57PM
12/11/2007	Sell	4000	1482	Cancel Fabricated Trade	Dec 12 2007 7:05AM

Taylor E-mini December '07 Fabricated Trade activity

tradeDate	Buy/Sell	quantity	price	activity	timeOfEntry	ACTUAL NET POSITION	NET POSITION WITH FABRICATED TRADES	ACTUAL POSITION VALUE WITHOUT FABRICATED TRADES (Mark-to-market based on last avg. trade price)	POSITION VALUE WITH FABRICATED TRADES (Mark-to-market based on fabricated trade price)
12/13/2007	SELL	33000	1475	Original Fabricated Trade	Dec 13 2007 12:05PM	37,104	4104	$2,736,362,488.80	$302,670,000.00
12/13/2007	SELL	33000	1475	Cancel Fabricated Trade	Dec 13 2007 12:26PM				
12/13/2007	SELL	43000	1475	New Fabricated Trade	Dec 13 2007 12:26PM	44,000	1000	$3,245,879,560.00	$73,750,000.00
12/13/2007	SELL	43000	1475	Cancel Fabricated Trade	Dec 13 2007 1:10PM				
12/13/2007	SELL	23000	1475	New Fabricated Trade	Dec 13 2007 1:10PM	39,729	16729	$2,932,496,812.50	$1,233,763,750.00
12/13/2007	SELL	23000	1475	Cancel Fabricated Trade	Dec 13 2007 1:42PM				
12/13/2007	SELL	43000	1475	New Fabricated Trade	Dec 13 2007 1:42PM	43,059	59	$3,174,524,775.00	$4,351,250.00
12/13/2007	SELL	43000	1475	Cancel Fabricated Trade	Dec 13 2007 2:39PM				
12/13/2007	SELL	7000	1476	New Fabricated Trade	Dec 13 2007 2:39PM	66,019	59019	$4,889,246,655.33	$4,355,602,200.00
12/13/2007	SELL	7000	1476	Cancel Fabricated Trade	Dec 13 2007 2:51PM				
12/13/2007	SELL	70000	1476	New Fabricated Trade	Dec 13 2007 2:51PM	72,738	2738	$5,383,104,436.26	$202,064,400.00
12/13/2007	SELL	70000	1476	Cancel Fabricated Trade	Dec 13 2007 4:05PM				
12/13/2007	SELL	130000	1479	New Fabricated Trade	Dec 13 2007 4:05PM	116,533	-13467	$8,678,475,291.92	$995,884,650.00
12/13/2007	SELL	130000	1479	Cancel Fabricated Trade	Dec 13 2007 4:05PM				
12/13/2007	SELL	120000	1479	New Fabricated Trade	Dec 13 2007 4:05PM	116,533	-3467	$8,678,475,291.92	$256,384,650.00
12/13/2007	SELL	120000	1479	Cancel Fabricated Trade	Dec 13 2007 4:07PM				
12/13/2007	SELL	120000	1483	New Fabricated Trade	Dec 13 2007 4:07PM	116,533	-3467	$8,678,475,291.92	$257,078,050.00
12/13/2007	SELL	120000	1483	Cancel Fabricated Trade	Dec 13 2007 4:20PM				
12/13/2007	SELL	120000	1480.5	New Fabricated Trade	Dec 13 2007 4:20PM	119,206	-794	$8,874,886,700.00	$58,775,850.00
12/13/2007	SELL	120000	1480.5	Cancel Fabricated Trade	Dec 13 2007 4:21PM				
12/13/2007	SELL	120000	1480	New Fabricated Trade	Dec 13 2007 4:21PM	119,206	-794	$8,874,886,700.00	$58,756,000.00
12/13/2007	SELL	120000	1480	Cancel Fabricated Trade	Dec 13 2007 4:24PM				
12/13/2007	SELL	120000	1480.3	New Fabricated Trade	Dec 13 2007 4:24PM	119,206	-794	$8,874,886,700.00	$58,765,925.00
12/13/2007	SELL	120000	1480.3	Cancel Fabricated Trade	Dec 13 2007 4:24PM				
12/13/2007	SELL	120000	1480.5	New Fabricated Trade	Dec 13 2007 4:24PM	119,206	-794	$8,874,886,700.00	$58,775,850.00
12/13/2007	SELL	120000	1480.5	Cancel Fabricated Trade	Dec 13 2007 4:27PM				
12/13/2007	SELL	120000	1480.8	New Fabricated Trade	Dec 13 2007 4:27PM	119,206	-794	$8,874,886,700.00	$58,785,775.00
12/13/2007	SELL	120000	1480.8	Cancel Fabricated Trade	Dec 13 2007 4:30PM				
12/13/2007	SELL	120000	1480.7	New Fabricated Trade	Dec 13 2007 4:30PM	119,206	-794	$8,874,886,700.00	$58,783,790.00
12/13/2007	SELL	120000	1480.7	Cancel Fabricated Trade	Dec 13 2007 7:43PM	115,084			

Taylor E-mini December '07 Fabricated Trade activity

tradeDate	Buy/Sell	quantity	price	activity	timeOfEntry	ACTUAL NET POSITION	NET POSITION WITH FABRICATED TRADES	ACTUAL POSITION VALUE WITHOUT FABRICATED TRADES (Mark-to-market based on last avg. trade price)	POSITION VALUE WITH FABRICATED TRADES (Mark-to-market based on fabricated trade price)
20071213	SELL	1500	1489.4	Original Fabricated Trade	Dec 13 2007 4:38PM	118206	-3294	$8,824,077,900.00	$245,304,180.00
20071213	SELL	1500	1489.4	Cancel Fabricated Trade	Dec 13 2007 8:28PM	114834			

Taylor E-mini December '07 Fabricated Trade activity

tradeDate	Buy/Sell	quantity	price	activity	timeOfEntry	ACTUAL NET POSITION	NET POSITION WITH FABRICATED TRADES	ACTUAL POSITION VALUE WITHOUT FABRICATED TRADES (Mark-to-market based on last avg. trade price)	POSITION VALUE WITH FABRICATED TRADES (Mark-to-market based on fabricated trade price)
12/14/2007	SELL	70000	1491	Original Fabricated Trade	Dec 14 2007 11:32AM	103300	33300	$7,676,177,377.56	$2,482,515,000.00
12/14/2007	SELL	70000	1491	Cancel Fabricated Trade	Dec 14 2007 11:43AM				
12/14/2007	SELL	90000	1491	New Fabricated Trade	Dec 14 2007 11:43AM	102300	12300	$7,586,823,750.00	$916,965,000.00
12/14/2007	SELL	90000	1491	Cancel Fabricated Trade	Dec 14 2007 1:28PM				
12/14/2007	SELL	90000	1480	New Fabricated Trade	Dec 14 2007 1:28PM	100800	10800	$7,467,248,880.00	$799,200,000.00
12/14/2007	SELL	90000	1480	Cancel Fabricated Trade	Dec 14 2007 1:42PM				
12/14/2007	SELL	90000	1479	New Fabricated Trade	Dec 14 2007 1:42PM	100800	10800	$7,467,248,880.00	$798,660,000.00
12/14/2007	SELL	90000	1479	Cancel Fabricated Trade	Dec 14 2007 4:05PM				

tradeDate	Buy/Sell	quantity	price	activity	timeOfEntry	ACTUAL NET POSITION	NET POSITION WITH FABRICATED TRADES	ACTUAL POSITION VALUE WITHOUT FABRICATED TRADES (Mark-to-market based on last avg. trade price)	POSITION VALUE WITH FABRICATED TRADES (Mark-to-market based on fabricated trade price)
12/14/2007	SELL	100000	1477.86	Original Fabricated Trade	Dec 14 2007 4:12PM	100800	800	$7,467,248,880.00	$59,114,400.00
12/14/2007	SELL	100000	1477.86	Cancel Fabricated Trade	Dec 14 2007 4:21PM				
12/14/2007	SELL	100000	1478.06	New Fabricated Trade	Dec 14 2007 4:21PM	100800	800	$7,467,248,880.00	$59,122,400.00
12/14/2007	SELL	100000	1478.06	Cancel Fabricated Trade	Dec 14 2007 4:34PM				